



FOR IMMEDIATE RELEASE: 7th November 2005

SHIP THIRD QUARTER YEAR RESULTS TO 30 SEPTEMBER 2005

Value of lifetime mortgages slips but reversions perform strongly in softening property market

The nineteen members* of UK equity release industry body, SHIP (Safe Home Income Plans), that represents over 90% of the Equity Release sector, today report third quarter figures to 30 September 2005 that are the highest to date in 2005 and show a significant increase in home reversions business written. SHIP believes this reflects the fact that property price inflation is far lower now than in recent years, which is making reversion products more attractive.

The total value of new business written was £293.6 million, 12.5% ahead of the second quarter in 2005 (£260.9 million). Home reversions business increased significantly from £10.6 million in Q2 2005 to £17.3 million in the latest figures. Year on year home reversions have leapt from £9.6 million in Q3 2004- a rise of 80%. Meanwhile, despite an increase on Q2 2005 business from £250.3 million, year on year figures show a considerable drop in the value of lifetime mortgages business written from £328.8 million (Q3 2004) to £276.3 million.

Jon King, Chairman of SHIP said:

“After eight years of seemingly unstoppable growth lifetime mortgages business has begun to slip back, despite it being a record quarter in 2005. However, home reversions have performed strongly this quarter.

“This reflects continued uncertainty in the property market and speculation that house price inflation is not likely to be as great in the future as it has been in the past. This may see increasing numbers of consumers turning to home reversions in preference to lifetime mortgages as the proportion of the house sold is fixed.”

Ends

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Notes to Editors:

SHIP new business figures:

Period	Total SHIP £m
2005 Q3	293.6
2005 Q2	260.9
2005 Q1	251.4
2005 HI	512.3
2004 FY	1192.30
2004 HI	503.7
2003 FY	1161.40
2002 FY	852
2001 FY	572

About SHIP:

Safe Home Income Plans (SHIP) is the UK's leading professional body for equity release product providers, representing the interests of its 19 members who provide home income and equity release plans. It was launched in 1991 to promote safe schemes. At present, 90% of the equity release market (in volume terms) is represented by SHIP members.

SHIP's current 19 members* are: Abbey, Bridgewater Equity Release, Bristol and

West Mortgages, Ecclesiastical Life, GE Life, Hodge Equity Release, Home & Capital Trust, In Retirement Services, Just Retirement, Key Retirement Solutions, Mortgage Express, National Counties Building Society, New Life Mortgages, Northern Rock, Norwich Union, Portman Building Society, Prudential, Standard Life, Stroud and Swindon Building Society.